

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

FEB 28 2001

LUTHER D. THOMAS, Clerk
By: *[Signature]*
Deputy Clerk

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

CLUB ATLANTA TRAVEL, INC., DAVID L.
STRAUB, FRANK GARNER AND
FRED GARNER,

Defendants.

Civil Action File No. 1:97-cv-2776-CAM

JUDGMENT AS TO DEFENDANT STRAUB

This matter is before the Court on plaintiff, Securities and Exchange Commission's ("SEC") Renewed Motion To Determine The Amount Of Disgorgement To Be Paid By David L. Straub, Sr. And For Other Relief, and the Court, having reviewed the record and been otherwise advised, hereby rules on said motion and renders final judgment in this case. The Court finds as follows:

Findings and Conclusions of Law

1. The Commission seeks, as relief, an order requiring the defendant to disgorge his ill-gotten gains, with prejudgment interest; and an order requiring the defendant to pay civil penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. 78u(d)(3). The Commission has submitted evidence establishing that Straub's ill-gotten gains from the scheme were \$878,789.

2. As described in the complaint Straub has agreed not contest for the purposes of this determination, Straub's conduct involved "fraud, deceit, manipulation, or deliberate or reckless disregard of a regulatory requirement" and resulted in "a substantial loss or created a significant risk of substantial losses to other persons". Straub's conduct meets the standard required for a third tier penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. 78u(d)(3).

3. As demonstrated by the evidence of Straub's financial condition presented in support of the motion to set disgorgement and civil penalties, Straub's assets appear to be less than the full amount of disgorgement ordered against him. Although Straub's conduct meets the standard required for a third tier penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. 78u(d)(3), no penalty is ordered against him.

NOW THEREFORE, IT IS HEREBY:

I.

ORDERED, ADJUDGED AND DECREED that defendant Straub disgorge the sum of \$1,016,874.62, representing \$878,789, his ill-gotten gain from the Club Atlanta Travel, Inc. scheme, plus prejudgment interest of \$138,085.62, calculated at the Internal Revenue Service rate for sums owed on underpayment of taxes, to deprive him of the gain he illegally obtained through his misconduct. Such payment shall be made to the Receiver, William G. Hays, by United States postal money order, certified check, bank cashier's check or bank money order, with a cover letter which identifies Straub as a defendant in these proceedings and the civil action number of these proceedings, a copy of which cover

letter and money order or check shall be sent to Alex Rue, Senior Trial Counsel, Securities and Exchange Commission, 3475 Lenox Road, N.E., Suite 1000, Atlanta, Georgia 30326-1232.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including enforcement and implementation of this Judgment.

III.

IT IS FURTHER ORDERED that all issues in this case having been concluded, the Clerk is directed to close the case.

ORDERED this 28th day of Feb., 2001.


UNITED STATES DISTRICT JUDGE